Summary of the Retail Census of 1933

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DATA gathered by the Census of American Business, which is nearing completion, measures the extent to which retail trade was affected by the depression. While the available monthly indexes had indicated the precipitous nature of the drop in dollar volume, these data covered such a small segment of the retail field that their accuracy was subject to at least some measure of doubt when used to arrive at conclusions concerning all retail expenditures. The census data reveal that the decline in dollar volume was not exaggerated by the monthly indexes; rather the actual decline in the total on the basis of preliminary statistics appears to be somewhat greater than estimates, based on the available current data, indicated.

DOLLAR VOLUME OF SALES OFF BY NEARLY ONE-HALF IN 1933

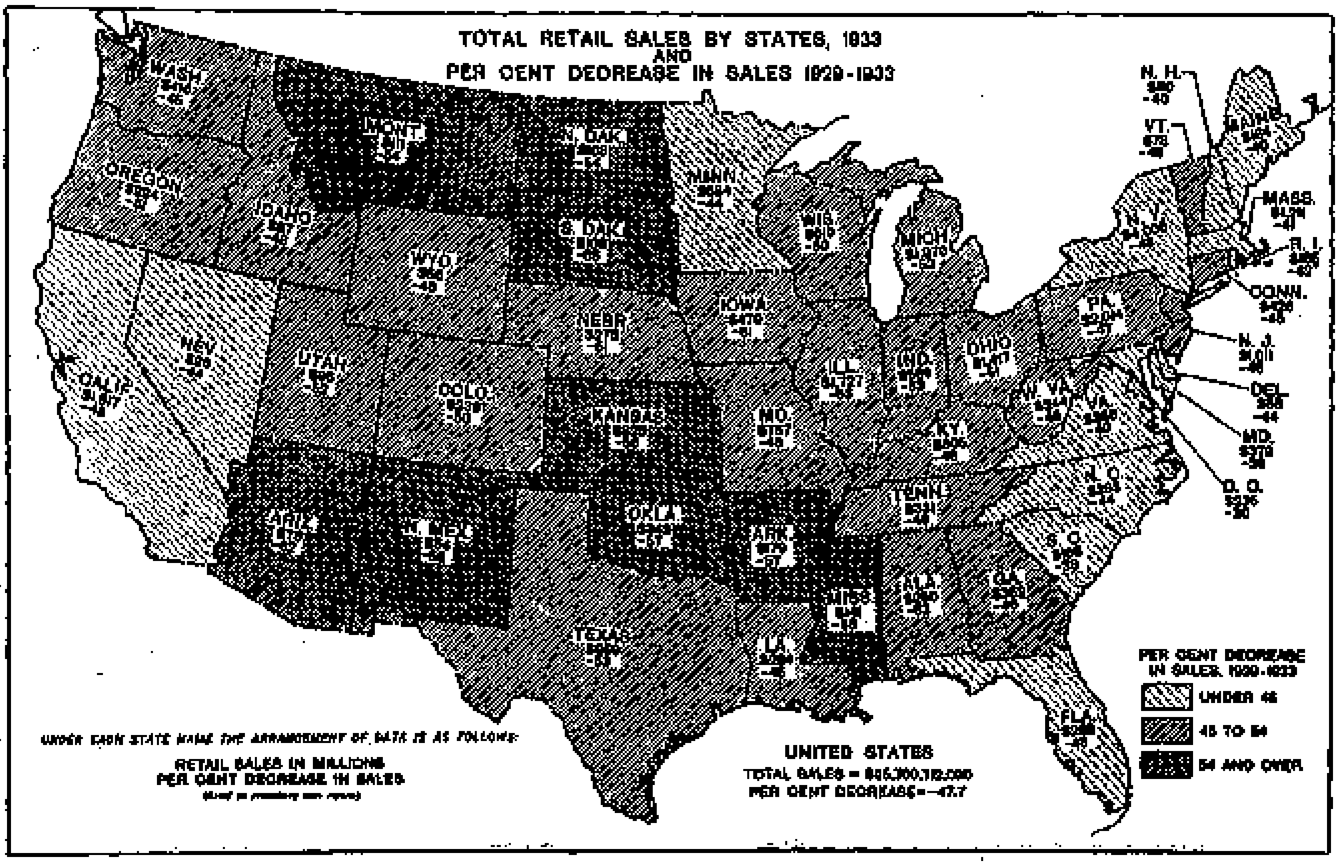
Preliminary retail census sales figures show that the 4 years of depression since 1929 took a toll of nearly one-half of the dollar volume of business done at retail. Final figures so far developed indicate no material change from the preliminary figures.

Also revealed are (1) a 47 percent decrease in full-time employment; (2) a 43.7 percent decrease in the total pay roll; (3) no change of consequence in the number of stores, and (4) a marked and continued upward trend in employment throughout the latter half of 1933.

Because of the decided pick-up in retail business during the latter half of 1933 and the upward trend in prices during that period, it is apparent that the total retail sales for 1933 of $25,700,712,000, representing a decrease of 47.7 percent from the total sales of $49,114,653,000 shown by the 1929 census, do not register the full extent of the decline in the purchases of consumer goods at the low point of the depression. The last half of the year normally accounts for more than 50 percent of the annual total of retail sales, and in the latter half of 1933 the seasonal upturn was further accentuated by some measure of price increase and an unusual acceleration of purchases. There can be no question that retail sales during the first half of 1933 were running well below 50 percent of the 1929 pace.

NUMBER OF RETAIL ESTABLISHMENTS ONLY SLIGHTLY LESS THAN IN 1929

Notwithstanding the great shrinkage in the volume of sales, there was no material change in the number of stores in operation. Stores totaled 1,543,158 in 1929 and the preliminary figure for 1933 is 1,520,339, with



a few more to come. It is apparent, therefore, that no material decrease in the number of retail establishments has taken place, despite uninformed forecasts to the contrary. Nevertheless, the more detailed final reports are revealing that changes of considerable importance have taken place in several kinds of business. Declines in the number of specialized apparel stores, automobile dealers, cigar stores, jewelry stores, and in the furniture household group have been offset by increases in the number of filling stations and in small businesses that require a minimum of capital—such as restaurants, garages, coal and wood yards, and secondhand stores. In most States, also, there has been either no change in the number of drug stores or an actual increase. In practically all States, these last-named kinds of business and some additional ones, such as heating and plumbing shops, and general merchandise stores (including variety and department stores), have shown the most favorable comparisons with 1929.

SHIFTS IN DISTRIBUTION TRENDS

State reports by kinds of business are now being released as rapidly as the tabulations for various States are completed; at this writing reports for some 36 States are available. United States totals, which are expected to be completed during October, will reveal the nature and significance of the changes which occur under the pressure of a serious depression, or at least those which have occurred during this particular 4-year period.

One of the interesting shifts which is apparent from the data now compiled is in the food group. Although grocery stores, meat markets, and combination stores when grouped together show substantially the same ratio of decrease in dollar sales as the food group as a whole, the specialized grocery stores and specialized meat markets have experienced a considerably larger decline, both in number of stores and in the volume of sales, than the combination grocery-meat stores. In many States the combination stores show an actual

Table 1.—Summary of Retail Trade, by States, 1929 and 1933

State	Number of stores		Net sales: Amount (in thousands of dollars)		Net sales: Percent decrease 1929–33	Net sales: Percent of total, 1933	Rank according to volume of business		Average number of employees, 1933		Total pay roll, 1933 (in thousands of dollars)[1]	
	1929	1933	1929	1933			1929	1933	Full time	Part time	Full time	Part time
United States	1,543,158	1,520,329	49,114,653	25,700,712	47.7	100.0			2,691,310	730,000	2,660,343	262,706
Alabama	21,442	20,079	537,101	240,002	55.3	1.0	20	23	30,074	5,605	21,882	2,630
Arizona	5,068	4,746	183,030	70,147	61.7	.3	41	45	7,328	2,407	7,820	613
Arkansas	17,937	16,822	412,080	179,294	56.6	.7	33	30	13,183	5,400	13,814	1,383
California	65,691	69,107	3,210,803	1,816,792	43.4	7.1	4	3	173,118	60,178	192,874	29,407
Colorado	15,693	13,057	406,959	233,719	49.6	.9	20	20	25,733	6,603	24,080	2,111
Connecticut	22,202	21,738	708,510	436,152	44.8	1.7	10	15	43,908	11,103	48,474	4,252
Delaware	3,666	3,421	103,513	58,057	43.0	.2	47	48	5,716	1,800	5,700	670
District of Columbia	5,931	6,130	330,202	234,047	30.1	.9	34	31	27,302	4,448	30,543	1,702
Florida	22,449	21,040	504,623	288,227	42.0	1.1	27	25	33,303	9,388	30,440	2,485
Georgia	26,687	20,000	635,440	351,591	44.6	1.4	21	20	42,137	12,235	32,843	2,806
Idaho	4,916	5,130	169,067	87,322	48.4	.3	44	43	7,172	2,504	7,100	826
Illinois	66,900	68,701	3,711,903	1,727,407	53.5	6.7	3	4	196,431	56,921	296,013	22,718
Chicago (proper)	42,476	44,578	2,137,830	990,882	53.4				122,841	28,509	130,063	12,787
Indiana	41,618	41,230	1,222,394	549,030	55.1	2.2	12	13	63,337	21,821	60,558	5,703
Iowa	33,716	34,561	972,130	478,323	50.7	1.9	14	14	48,129	16,416	42,090	4,834
Kansas	25,605	20,059	744,596	327,997	56.0	1.3	18	23	34,417	12,103	28,398	4,121
Kentucky	27,117	26,051	587,340	305,491	48.0	1.2	24	24	32,689	9,923	27,083	2,773
Louisiana	25,288	22,239	476,642	263,613	44.7	1.0	28	27	37,010	6,313	35,444	1,728
Maine	11,091	11,383	307,028	183,651	40.3	.7	30	35	17,620	4,389	18,067	1,607
Maryland	21,082	23,438	610,573	378,969	38.9	1.5	22	17	41,747	12,292	40,641	4,317
Massachusetts	54,183	51,612	2,054,076	1,210,896	41.1	4.7	7	6	132,120	32,982	142,820	12,208
Michigan	55,959	58,937	2,236,308	1,069,672	52.0	4.2	6	7	105,252	29,799	98,377	9,724
Minnesota	30,726	33,047	1,061,030	594,412	44.4	2.3	13	12	63,150	10,114	50,854	5,321
Mississippi	17,266	14,776	418,737	140,899	66.0	.6	32	37	10,897	4,702	12,200	1,066
Missouri	47,009	48,185	1,448,220	757,061	47.7	3.0	10	10	60,740	23,418	62,454	7,373
Montana	6,951	6,711	243,828	111,162	54.4	.4	30	38	9,900	2,040	10,377	1,224
Nebraska	17,037	16,185	562,944	275,466	51.1	1.1	25	30	23,023	8,877	24,057	3,845
Nevada	1,310	1,460	50,401	28,391	43.7	.1	49	49	2,410	738	2,978	315
New Hampshire	6,587	6,297	184,285	110,490	40.1	.4	43	39	10,303	3,042	10,167	1,040
New Jersey	60,010	63,035	1,843,845	1,011,279	45.2	3.9	9	8	95,960	23,747	110,462	9,027
New Mexico	4,181	4,238	119,768	53,857	55.3	.2	46	46	5,154	1,452	4,824	581
New York	190,017	177,824	7,070,414	4,006,018	43.3	15.6	1	1	372,257	71,398	440,954	31,691
New York City	103,036	97,697	4,272,033	2,403,604	43.8				225,408	34,321	285,804	16,929
North Carolina	28,231	27,686	653,410	303,207	54.4	1.4	19	13	30,130	14,084	32,032	3,189
North Dakota	8,077	7,067	234,540	107,905	54.0	.4	40	40	9,457	2,457	8,443	819
Ohio	83,717	85,618	2,864,831	1,417,100	50.5	5.5	5	5	150,043	60,638	165,381	17,004
Oklahoma	27,330	26,318	705,028	343,465	51.3	1.3	16	21	37,034	10,746	31,293	3,053
Oregon	14,570	13,740	458,931	224,288	50.8	.9	30	32	22,261	6,415	21,813	2,424
Pennsylvania[2]	135,275	116,421	3,803,041	2,014,403	47.1	7.8	2	2	218,906	69,029	208,807	19,237
Rhode Island	9,642	8,417	316,295	185,173	41.6	.7	35	34	18,853	4,371	19,300	1,027
South Carolina	15,036	16,468	300,290	185,176	38.3	.7	37	33	20,196	7,409	17,340	1,529
South Dakota	8,345	8,538	255,107	105,851	58.4	.4	38	41	9,097	3,076	8,404	900
Tennessee	23,394	22,794	643,817	330,962	48.6	1.3	20	22	37,832	10,294	31,119	2,632
Texas	66,918	67,171	2,049,090	958,029	53.1	3.7	8	9	109,727	37,460	93,234	7,231
Utah	5,240	5,890	196,560	94,894	51.7	.4	42	43	8,310	2,927	9,362	910
Vermont	5,189	4,884	152,176	77,844	48.9	.3	45	44	7,439	1,293	7,028	689
Virginia	30,120	28,410	600,929	357,839	40.4	1.4	23	19	41,071	10,865	30,950	3,038
Washington	22,110	23,273	751,806	410,390	45.3	1.6	17	16	37,315	12,674	38,465	4,642
West Virginia	17,246	17,124	447,877	244,163	45.4	1.0	31	29	24,309	7,124	22,302	2,092
Wisconsin	39,474	44,487	1,237,442	618,049	50.0	2.4	11	11	60,070	24,355	57,209	8,981
Wyoming	2,683	3,160	103,487	55,723	46.1	.2	48	47	4,073	1,165	5,235	515

[1] Does not include compensation of proprietors.

[2] Owing to field conditions over which the Bureau had no control, there is reason to believe that reports from some of the smaller retail stores in Pennsylvania were not collected. Based upon conditions obtaining in the adjacent States of New York, New Jersey, and Ohio, it would appear that the number of stores in Pennsylvania should be about 132,400, or nearly 17,000 more than here reported; and that the sales total for the State should be about $2,050,000,000, which is 2½ percent more than is here reported. No adjustment has been made for the apparent underenumeration.

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increase in number, and a decrease in dollar volume considerably less than the average for the group. Combination food stores, which in 1929 were fewer in number than the strictly grocery store, by 1933 had become a more important factor in food distribution than grocery stores and meat markets together.

WIDE DIFFERENCE IN INCIDENCE OF DEPRESSION IN VARIOUS SECTIONS

The accompanying map shows for each State the total of retail sales as indicated by the preliminary figures of the 1933 census, and the percentage of decrease in comparison with 1929. Three shadings have been used to distinguish between those States showing less than a 45-percent decrease, those in which the decrease is between 45 and 54 percent, and the nine States wherein the loss in dollar volume as compared with 1929 exceeded 54 percent.

Table 2.—Comparison of Summary Data, 1929 and 1933

	1929	1933	Percent of change
Number of stores	1,543,158	1,520,329	−1.5
Sales	$49,114,653,000	$25,700,712,000	−47.7
Employment (average number throughout year):			
Full-time employees	3,833,551	2,691,310	−29.8
Part-time employees	676,559	730,906	+8.0
Proprietors (active)	1,510,607	1,572,588	+4.1
Ratio of part-timers to total employees...percent	15	21	+6.0
Ratio of active proprietors to total retail workers (employees and proprietors)...percent	25	31	+6.0
Pay roll total[1]	$5,130,000,000	$2,871,949,000	−44.0
Full-time	$5,028,282,000	$2,669,243,000	−46.9
Part-time	$101,387,000	$202,706,000	+96.6
Average annual earnings per full-time employee	$1,312	$992	−24.4

[1] Does not include compensation of proprietors.

Generally, the most severe recession occurred in the wheat-growing and cotton-growing States, while most of the States along the Atlantic seaboard, as well as Minnesota, Nevada, and California, fared better than the remainder of the country. New England's showing is partly accounted for by the fact this sectionhat t had already felt the depression before 1929 and has been among the first to enjoy some measure of recovery. The District of Columbia, of course, is in a class by itself in that its source of income is little dependent upon industrial pay rolls and little influenced by sudden changes in economic conditions.

FEWER BUSINESS CLASSIFICATIONS IN 1933 CENSUS

The Bureau of the Census emphasizes the fact that comparisons between the detailed business classifications of the 1929 and 1933 census should be made with considerable reservation because of variations caused by changes in the character of business, lack of full commodity information in 1933, and the unavoidable proportion of clerical errors. However, every effort is being made to insure that group figures can be accepted with a high degree of comparability. To further such comparisons, only 53 business classifications are used in the new census, and the more than 200 classifications under which the 1929 census data were shown are being consolidated to afford as dependable comparisons as it is possible to produce.

EMPLOYMENT BELOW 1929 BUT PART-TIME EMPLOYMENT HIGHER

In table 2 there is shown a summary comparison for the years 1929 and 1933 of employment and pay rolls in retail trade. The number of full-time employees decreased nearly 30 percent, offset to some extent by a 4 percent increase in the number of proprietors actively engaged in their own stores. In numbers, the decrease in full-time employees aggregated 1,142,000 and the increase in the number of active proprietors amounted to only 62,000. More part-time employees were engaged in 1933 than in 1929, the average number on an annual basis having increased from 676,000 to 730,900, or 8 percent. It is evident that, in spite of the replacement of full-time employees by part-time workers and by proprietors, more than 1,000,000 persons who were earning an average of $1,312 per year in retail stores before the depression were thrown out of employment sometime during the 4-year period. The Bureau of Labor Statistics monthly index of retail-trade employment shows this decline to have occurred gradually over this period. The sample data of that Bureau, however, did not reveal the full extent of the decline since their index showed a drop of 18 percent, compared with the census figures for full and part-time employees combined of about one-fourth.

Table 3.—Employment in Retail Trade, by Months, 1933

[Preliminary figures]

Month	Number of employees		
	Full-time employees	Part-time employees	Total employees
January	2,495,333	617,069	3,112,402
February	2,481,167	621,808	3,102,975
March	2,484,524	633,580	3,118,104
April	2,650,195	710,248	3,360,443
May	2,589,440	700,213	3,289,653
June	2,648,062	724,027	3,372,089
July	2,674,014	714,544	3,388,558
August	2,721,674	729,614	3,451,288
September	2,863,959	759,471	3,623,430
October	2,800,238	785,210	3,585,448
November	2,904,238	816,039	3,720,277
December	3,002,256	932,963	3,935,228
Average for year	2,691,310	730,900	3,422,210

The employment in retail stores by months for the year 1933 is shown in table 3. Especially noteworthy is the low employment during the first quarter of 1933 and the high employment during the last quarter, as compared with the average for the year. The substantial gains in retail employment in the latter half of 1933 is perhaps more readily seen from table 4 which affords a comparison with the 1929 trend, using the average number of employees for each year as 100. December showed an improvement over the first month of the year of 27 percent, and over the April figure of 21 percent. While normal seasonal influences were, of course, a factor in this improvement it is of particular interest to note that the rise between April and December 1929, amounted to 7.2 percent. Consequently, it is evident that real progress in reemployment was made, entirely aside from seasonal considerations.

AVERAGE EARNINGS PER EMPLOYEE NEARLY ONE-FOURTH BELOW 1929

Pay rolls show a decrease from 1929 of about 44 percent. It is significant that the full-time pay roll decreased in almost the same ratio as sales decreased. Part-time pay roll took up some of the decrease. Whereas normally the part-time pay roll in retail stores averages about 3 percent of the total, in 1933 this ratio had increased to more than 8 percent, a new condition in the retail field.

Table 4.—Monthly Fluctuations of Retail Trade Employment for the United States

[Expressed as percentages of the year's average number of employees]

Month	1933			1929
	Full time	Part time	Total full time and part time	Total full time and part time[1]
	Percent	*Percent*	*Percent*	*Percent*
Average month	100	100	100	100
January	93.7	84.4	90.9	
February	93.2	85.1	90.7	
March	93.2	89.7	91.1	
April	95.0	97.2	95.4	97
May	96.0	90.6	96.1	
June	96.4	90.1	96.6	
July	99.4	97.8	99.0	98
August	101.1	90.8	100.8	
September	106.6	103.3	106.9	
October	107.4	108.6	107.7	101
November	107.9	111.6	108.7	
December	111.6	127.6	115.0	104

[1] Employment data for 1929 were shown for 4 months only, as of Apr. 15, July 15, Oct. 15, and Dec. 15.

Most significant of all the employment data is the change in average annual earnings per employee. These decreased from $1,312, for the average full-time employee in 1929, to $992 last year. The 24.4 percent reduction is probably a true measure of the change in wages in the retail field which occurred during the depression.

THE EFFECT ON PRICE CHANGES ON SALES VOLUME

The decrease in the dollar volume of retail sales was due in part to the decline in prices and in part to a decrease in the consumption of goods. It seems to be reasonably certain, however, that the sales of foods which in 1929 constituted more than one-fifth of the total, will show a decrease not far different from the decrease in food prices. How important price changes were in reducing the dollar sales for all retail business, it is impossible to say because of the lack of retail price data.

The American Business Division of the Bureau of the Census, which compiled the 1933 distribution census, is now conducting a study of the fragmentary and inadequate price data available and will attempt to arrive at some kind of composite of the retail price change which has occurred since 1929, and, to the extent that the estimate is accepted, it will be possible thereby to approximate the measure of actual decrease in consumption.

Price data which have been reviewed so far are generally based on small samples, except for the Bureau of Labor Statistics food index and one large chain's figures as a measure of food price changes. Access has also been obtained, through the courtesy of Dr. Isador Lubin, Commissioner of Labor Statistics, to the basic data for certain other commodities, the prices of which have been recorded at intervals of 6 months over a period of many years, including the period since 1929. Another measure of retail prices is available in the Fairchild index, and there are one or two others.

In the field outside of foods, a mass of price data has been promised by the two largest mail-order houses, recording the changes in catalog prices, at seasonal intervals, of each principal item of merchandise sold by those companies continuously since 1929. Weighting will be attempted with the help of a special compilation now being prepared by one of the mail-order houses that is contributing these data, showing the percentage of sales of each such commodity in relation to the total sales in the department of which it is an item. Whether definite conclusions may be drawn from the data which have been promised for this special study, cannot be foretold at this time.

FINAL REPORTS WILL REVEAL OTHER INTERESTING DATA

The final census reports are expected to reveal many changes which have occurred so gradually over the 4-year period that their effects have not been noted. The data are sure to have a far-reaching effect in modifying the methods of distribution *to retailers*, and perhaps in making possible substantial economies in sales promotion and marketing generally. In addition, the results will be of great assistance to statisticians and economists interested in the study of distribution trends and consumer purchasing.